

State of Arizona
House of Representatives
Forty-ninth Legislature
Second Regular Session
2010

HOUSE BILL 2157

AN ACT

AMENDING SECTION 42-5005, ARIZONA REVISED STATUTES; RELATING TO TRANSACTION
PRIVILEGE TAXES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-5005, Arizona Revised Statutes, is amended to
3 read:

4 42-5005. Privilege licenses; revocation; violation;
5 classification

6 A. Every person who receives gross proceeds of sales or gross income
7 upon which a privilege tax is imposed by this article, desiring to engage or
8 continue in business, shall make application to the department for a
9 privilege license accompanied by a fee of ~~twelve~~ FIFTY dollars. Such
10 licenses shall be effective indefinitely. Such person shall not engage or
11 continue in business until the person has obtained a privilege license.

12 B. If the applicant is not in arrears in payment of any tax imposed by
13 this article, the department shall issue a license authorizing the applicant
14 to engage and continue in such business, upon the condition that the
15 applicant complies with this article. The license number shall be
16 continuous.

17 C. The privilege license shall not be transferable upon a change of
18 ownership or change of location of the business. For the purposes of this
19 subsection:

20 1. "Location" means the business address appearing in the application
21 for the license and on the privilege license.

22 2. "Ownership" means any right, title or interest in the business.

23 3. "Transferable" means the ability to convey or change the right or
24 privilege to engage or continue in business by virtue of the issuance of the
25 privilege license.

26 D. When the ownership or location of a business upon which a privilege
27 tax is imposed by this article has been changed within the meaning of
28 subsection C of this section, the licensee shall surrender the license to the
29 department. The license shall be reissued to the new owners or for the new
30 location upon application by the taxpayer and payment of the ~~twelve~~ FIFTY
31 dollar fee.

32 E. A person engaged in or conducting a business in two or more
33 locations or under two or more business names shall procure a license for
34 each location or business name. This requirement shall not be construed as
35 conflicting with section 42-5020.

36 F. If a person violates this article or any rule adopted under this
37 article, the department upon hearing may revoke any privilege license issued
38 to the person. The department shall provide ten days' written notice of the
39 hearing, stating the time and place and requiring the person to appear and
40 show cause why the license or licenses should not be revoked. The department
41 shall provide written notice to the person of the revocation of the license.
42 The notices may be served personally or by mail pursuant to section 42-5037.
43 After revocation, the department shall not issue a new license to the person
44 unless the person presents evidence satisfactory to the department that the
45 person will comply with this article and with the rules adopted under this

1 article. The department may prescribe the terms under which a revoked
2 license may be reissued.

3 G. A person who violates any provision of this section is guilty of a
4 class 3 misdemeanor.

5 Sec. 2. Requirements for enactment: two-thirds vote

6 Pursuant to article IX, section 22, Constitution of Arizona, this act
7 is effective only on the affirmative vote of at least two-thirds of the
8 members of each house of the legislature and is effective immediately on the
9 signature of the governor or, if the governor vetoes this act, on the
10 subsequent affirmative vote of at least three-fourths of the members of each
11 house of the legislature.